

12 JUL 78

DD/A Registry

File Meeting

MEMORANDUM FOR: Deputy Director for Operations

VIA : Deputy Director for Administration

FROM : Michael J. Malanick  
Associate Deputy Director for Administration

SUBJECT : Administrative Conference

1. On March 6 and 7, 1978, I chaired an administrative conference [redacted] Attendees included the Support Chiefs for all components of the Directorate of Operations, the Career Management Officer of the DDA, a representative of the Office of Medical Services, and the Support Chiefs of the Office of Communications, FBIS, OTS, and OSO. The purpose of the conference was to review our overseas administrative policies and procedures, to consider new administrative concepts, determine whether greater efficiency or manpower reductions could be realized through regional support centers, to assess the impact of the reduction of DDA slots in the D/O, to discuss the future role of operational support assistants or other non-professional personnel assigned to perform administrative functions, to determine whether it would be desirable to re-open the MG Career Service, and to discuss the administrative aspects of our current [redacted] procedures and objectives.

2. As background, the attendees were asked to review the earlier Polgar Report regarding the use of administrative personnel in the Clandestine Service. The agenda of the conference, the individual studies which were prepared, and the minutes of the sessions are available in my office, and I will be glad to forward them to you if you would like a review in depth. This memorandum summarizes the conclusions and sets forth the action which I believe is needed.

E2 IMPDET  
CL BY [redacted]

CONFIDENTIAL

OF 8-0686

**Page Denied**

4. Regional Support Groups. There are two concepts concerning regional support groups. One of these is an arrangement whereby a support officer at a post would be given responsibility for periodically traveling to nearby small stations as counselor or problem solver for the administrative assistants who are handling the administrative functions of the small stations. The other is the more traditional arrangement whereby a support unit at a central location provides all of the administrative support in certain categories.

The first of these concepts has never been tried, but we believe it offers considerable potential as we find ourselves using a larger number of administrative assistants in lieu of professional support officers. During the conference in Europe in May 1978 the Chief of Support of EUR Division implemented such an arrangement for many of the smaller stations in that Division. We anticipate that similar arrangements will be made in other Divisions.

5. New Administrative Concepts. It is clear that our administrative procedures are in a state of change, and that we must find ways to support our overseas operations with fewer personnel. New capabilities in communications and data processing offer opportunities not previously available. In some respects the procedures which are ultimately developed will determine whether we need professional support officers or administrative assistants at a post, but the major objective will be to provide maximum support with the fewest number of people, and to assure that we retain our administrative and managerial flexibility.

with the CRAFT program. Initially there were two independent approaches to the same objective, one for operational records and another for administration. These have now been joined into a single effort, and we hope that CRAFT will eventually cover financial, personnel, and logistical records as well as others. The Office of Data Processing, Communications, Finance, and Logistics, and the SSA-DDA are working on this project. We believe that the data processing developments may eventually have more impact on our overseas administrative procedures than any other single factor, but this is something which is still several years away.

Another ADP application receiving attention is an effort to speed up the processing of Class A and B accountants.

25X1  
ZNAI

At the conference we discussed several other possibilities which I intend to explore even though I believe that they offer a minimum potential. For example, we discussed whether Communications personnel at a post could be trained in administrative procedures and assume responsibility for a station's administrative tasks. A communicator's responsibility to his own service, with frequent TDY assignments, may well prohibit this, but we will ask Commo to comment on it.

6. Impact of Reductions in DDA Positions in the D/O. The reductions of D/A positions in the D/O are obviously a source of concern. We reviewed the reductions during the past ten years, and the statistics are interesting.

25X1

Recognizing the ● operatives which have fac● the D/O over the past ten years, it was the general consensus of the attendees that further reductions in administrative personnel could seriously affect our ability to provide acceptable levels of support. Most of the cuts for 1978 and 1979 were taken at headquarters, but there has also been a continuing pressure for all government agencies to reduce the overseas posture. This means that our approach to simplified administration has been to find ways to eliminate marginal functions and to transfer the workload back to Washington, but the reductions at headquarters could very well affect our ability to absorb the transferred workload. There is also some concern that, with the reduction of administrative personnel, the administrative functions might be assigned to operational personnel as a collateral duty. We feel strongly that it detracts from the operational mission if operations officers must devote part of their time to administrative tasks without training, and most operations officers do not like such assignments because they feel that they are detrimental to their operational careers. Similarly, maintaining an operational support assistant overseas costs just as much as maintaining a fully qualified and fully trained professional. As the marginal functions have been eliminated, those remaining have become more complicated.

25X1  
ZUA1

7. Role of Operational Support Assistants. Operational Support Assistants (OSA's) are for the most part former secretaries who have gradually assumed administrative responsibilities. They are highly motivated and serve a vital need. In addition to administrative work they frequently are responsible for photographic labs, secret writing, etc., and in one instance an OSA serves part time as the Ambassador's secretary.

There are many factors which enter into any discussion of OSA's, but the two most important are that the career tracks are limited (they usually cannot be promoted beyond GS-09) and it is largely an overseas service with no comparable positions at headquarters. Consequently, if they are to move into higher grades it is necessary that they be given different jobs in the D/O or transfer to the D/A.

As noted above, these employees are highly motivated, they like the administrative work, and all of those interviewed would like to continue this type of duty. However, most have relatively little training, and some have no training at all. This lack of training has been the subject of comment by the Audit Staff.

I believe that OSA's perform a very useful service, and that we will continue to need them. While they are D careerists, their training can be most effectively planned by the D/A. If you agree, I will arrange to have our CMO develop a training course, and we will try to begin the training as soon as possible. While it is possible that some of the OSA's might be qualified for professional support positions and a different career track, I believe that the numbers which will be qualified will be relatively small and we should not advertise the possibility at this time. Most Station Chiefs have a very high regard for the OSA's at the GS-07 to GS-09 level, but of several interviewed only one stated that he believes the OSA assigned to his post could ultimately qualify for an assignment at the GS-12 level. If we accept a transfer it would have to be at about the GS-11 level, and acceptance would generally be based on an expectation that the employee could advance to the GS-14 or GS-15 level at least. In any case, we will consult with you and PMG as we acquire additional experience in this area.

8. Prior to the conference you sent me a letter which asked that four specific questions be considered. These questions were circulated to the attendees and they were asked to develop their own views and supporting data, and also obtain the views of the Division Chiefs. We discussed these questions at an evening session which was also attended by your Deputy, Mr. John Stein. It was the consensus of those present and also, I understand, the view of the Division Chiefs, that the savings in manpower would be so slight, and the disadvantages and inefficiencies so great, that we should not recommend the changes.

QUESTION 1: Will any savings in manpower (slots) be achieved without loss of service if we combine some of the support functions of Area Divisions?

It was the consensus of the group that any savings in manpower would be more than offset by other disadvantages. Clerical and technical personnel in the support branches are fully committed, and a merger would not reduce this mechanical workload. The only potential for reductions in manpower would be at the supervisory

level. That is, one Chief of Support may be able to supervise the support units in two of the smaller divisions. Disadvantages include: (a) a significant decrease in efficiency as a result of physical dislocation, (b) a blurring of the chain of command, (c) the likely objection on the part of division chiefs of the need to compete for support resources, (d) a dilution of knowledge of peculiar division support requirements as a result of a merger into a combined staff. No two divisions have the same operating and logistical problems. Division Chiefs would probably oppose any consolidation of the support functions between area divisions. Merging division support staffs would result in a loss of service and, in spite of the present and projected cuts in DDA positions, such merging should be resisted.

QUESTION 2: Would any benefit accrue through putting the Area Division personnel offices under the supervision of the Area Personnel Evaluation and Management Staffs which "make the decisions" on personnel assignments?

The personnel branches perform a large number of clerical and technical jobs which support the PEM function. These include the preparation and processing of travel orders, transportation of effects, coordination of cover arrangements, handling of allowances, benefits, personnel actions, maintenance of files, etc. It is desirable that the Personnel Branch be located near the PEM unit, but not a part of it. PEM Chiefs are generally not familiar with the regulations and procedures pertaining to the technical procedures, and to make them responsible for the day-to-day activities would make it more difficult for them to do the job which is their primary responsibility; i.e., career development and selection of personnel for assignments. PEM officers are normally assigned for relatively short tours, which would not facilitate their acquiring the experience necessary to supervise clerical functions. There have been one or two cases where a PEM Chief was changed two or three times in a single year. A relocation of the Personnel Branch would probably not reduce manpower because the Chief of the Personnel Branch carries a full workload as well as supervising his branches. And, finally, it is difficult to separate the personnel function from the other support functions because all are related, and the Chief of Support is in the best position to correlate the efforts of all of them.

QUESTION 3: Split of the B&P shops with the budget functions reporting to the Area Plans and Programs Staffs, leaving the finance function in the Area Division under a Chief of Support. Alternatively, could centralization of the finance functions in one office be viable?

In many respects the answer to this question was similar to the answer to Question 2. It was not anticipated that any personnel savings could be achieved by merging the budget function with the Plans and Program Staff. Here again, the physical co-location of these two forces is important to minimize duplication, but to place the budget function within the Plans and Program Staff would tend to detract from the purpose for which the Plans Staff was originally established.

With regard to centralization of Class B accounting audits, having the Class B accountings available within the Division provides a timely and valuable tool for the maintenance of obligations, establishing the validity of expenses, and offers other significant insights into the station management of financial resources. Branch and Support Chiefs would find it difficult to review the financial activities of their stations should the audit of Class B accountings be centralized outside of the division. The centralized audit of Class B accountings was utilized earlier in the Agency's existence and has not evolved to the present system which all concerned feel is much more efficient and effective.

QUESTION 4: Could a centralized logistics office result in efficiencies?

The group consensus was "no." Centralized offices, as a general rule, are less responsive, less committed, and less dedicated to solving the unique problems which the divisions experience daily. Requisitions must be handled expeditiously and with regard for the special security and cover needs of the station involved. A centralized office does not bring with it the same sense of urgency in meeting requirements that a division support staff does. Finally, a centralized logistics function would result in a decrease in efficiency because the remaining support staffs would be required to absorb some of the functions still necessarily performed within the area divisions logistics section.

/s/ Michael J. Malanick

Michael J. Malanick